



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

FEB 08 2018

Kevin Geiken

Des Moines, IA 50321

RE: MUR 7269
Young for Iowa, Inc. and Lisa
Ashley in her official capacity as
treasurer
Representative David Young

Dear Mr. Geiken:

On February 1, 2018, the Federal Election Commission reviewed the allegations in your complaint received on August 10, 2017, and on the basis of the information provided in your complaint; and information provided by Young for Iowa, Inc. and Lisa Ashley in her official capacity as treasurer ("Committee"), the Commission voted to dismiss the allegation that the Committee violated 52 U.S.C. § 30104(b), and cautioned the Committee regarding compliance with the reporting requirements of 52 U.S.C. § 30104(b). On the same day, the Commission also found that there is no reason to believe that Representative David Young violated 52 U.S.C. § 30104(b). Accordingly, on February 1, 2018, the Commission closed the file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). The Factual and Legal Analysis, which more fully explains the Commission's findings, is enclosed.

Sincerely,

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Enclosure

Factual and Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Young for Iowa and Lisa Ashley in her
official capacity as treasurer
Representative David Young

MUR 7269

I. INTRODUCTION

Complainant alleges that Young for Iowa, Inc. ("Young Committee") and Representative David Young violated the Federal Election Campaign Act of 1971, as amended (the "Act"), and Commission regulations by failing to report several contributions received in April 2017 from two other committees, Ryan for Congress, Inc. and Prosperity Action, Inc. The Commission dismisses the allegation that the Young Committee violated 52 U.S.C. § 30104(b), and cautions the Young Committee regarding the reporting of contributions. The Commission also finds that there is no reason to believe that David Young violated 52 U.S.C. § 30104(b).

II. FACTUAL AND LEGAL ANALYSIS

The Young Committee is the authorized committee of U.S. Representative David Young, who represents the Third District of Iowa and is a candidate for reelection in 2018. Ryan for Congress is the authorized committee of U.S. Representative Paul Ryan, the Speaker of the House of Representatives. Prosperity Action, a multicandidate political committee, is Ryan's leadership PAC.¹

The Complainant states that on April 4, 2017, Ryan for Congress made two contributions totaling \$4,000 to the Young Committee, and Prosperity Action made a \$5,000 contribution to the Young Committee, and the contributing committees disclosed these contributions on their

¹ See Prosperity Action Amended Statement of Organization (May 8, 2017) at 2, 3, available at <http://docquery.fec.gov/pdf/197/201705089053508197/201705089053508197.pdf>.

respective 2017 July Quarterly Reports.² The Complainant alleges that the Young Committee failed to timely report the contributions from Ryan for Congress and Prosperity Action on its 2017 July Quarterly Report.³

The Young Committee responds that it received and deposited the contributions during the third quarter of 2017 and that it would disclose the contributions on its October Quarterly Report.⁴ The Young Committee did report these contributions on its 2017 October Quarterly Report as having been received on July 17, 2017.⁵

Under the Act, each treasurer of a political committee shall file reports of receipts and disbursements in accordance with the provisions of 52 U.S.C. § 30104.⁶ These reporting provisions include disclosing the total amount of receipts for the reporting period, identifying political committees which make contributions to the reporting committee within the reporting period, and providing the date and amount of any such contributions.⁷

² Compl. at 2. See Ryan for Congress 2017 July Quarterly Report (July 13, 2017) at 3986, *available at*, <http://docquery.fec.gov/pdf/041/201707139066606041/201707139066606041.pdf>. Prosperity Action in fact disclosed its contribution earlier, on its 2017 Pre-Special Report filed on May 12, 2017. See Prosperity Action 2017 Pre-Special Report (May 12, 2017) at 235, *available at* <http://docquery.fec.gov/pdf/937/201705129053522937/201705129053522937.pdf>. The contributions by Ryan for Congress to the Young Committee included \$2,000 for the primary election and \$2,000 for the general election. An authorized committee may contribute up to \$2,000 per election to the authorized committee of any other candidate. See 52 U.S.C. § 30102(e)(3)(B) and 11 C.F.R. § 102.13(c)(1) and (2). The contribution by Prosperity Action to the Young Committee is within the contribution limit for multicandidate committees. See 52 U.S.C. § 30116(a)(2) (\$5,000 per election to a candidate and his or her authorized committee).

³ The Complaint suggests these contributions were made close in time to legislation pending before the U.S. House of Representatives. See Compl. at 1-4.

⁴ Young Committee Resp. at 1 (Aug. 24, 2017). Rep. Young did not submit a response to the Complaint.

⁵ See Young for Iowa 2017 October Quarterly Report (Oct. 13, 2017) at 15, 27, *available at* <http://docquery.fec.gov/pdf/467/20171013907564767/20171013907564767.pdf>.

⁶ 52 U.S.C. § 30104(a)(1).

⁷ See 52 U.S.C. §§ 30104(b)(2) and (3)(B) and 11 C.F.R. § 104.3(a)(4)(ii).

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Ryan for Congress and Prosperity Action reported making contributions to the Young Committee on April 4, 2017,⁸ but the Young Committee reported receiving the contributions three and a half months later, on July 17, 2017.⁹ The Young Committee does not provide any additional information or documentation concerning its receipt of the contributions. In the absence of any explanation for the delay, it appears likely that the Young Committee received the contributions earlier than July 17 and thus did not timely disclose their receipt. In view of the modest amount of contributions at issue, however, the Commission dismisses the allegation that the Young Committee violated 52 U.S.C. § 30104(b),¹⁰ and cautions the Young Committee regarding the timely reporting of contributions. The Commission also finds that there is no reason to believe that David Young violated 52 U.S.C. § 30104(b) because the reporting of contributions is the responsibility of the Young Committee treasurer,¹¹ and the available information does not indicate any involvement in the reporting on the part of the candidate.

⁸ A contribution shall be considered to be made when the contributor relinquishes control over the contribution. 11 C.F.R. § 110.1(b)(6). A contributor shall be considered to relinquish control over the contribution when it is delivered by the contributor to the candidate, or to the political committee or to the agent of the political committee. *Id.* A contribution that is mailed to the candidate, or to the political committee or to an agent of the political committee, shall be considered to be made on the date of the postmark. *Id.*

⁹ Every person who receives a contribution for an authorized political committee shall, no later than 10 days after receipt, forward such contribution to the treasurer. 52 U.S.C. § 30102(b)(1); 11 C.F.R. § 102.8(a). If the contribution is in excess of \$200, such person shall forward the contribution, the identification of the contributor and the date of receipt of the contribution. *Id.* The date of receipt shall be the date such person obtains possession of the contribution. 11 C.F.R. § 102.8(a).

¹⁰ See *Heckler v. Chaney*, 470 U.S. 821 (1985).

¹¹ See 52 U.S.C. § 30104(a)(1).